

Claims 1 - 11 and 18 - 36 are pending in this application. Claims 12 - 17 have been cancelled. Claims 1 - 11 and 18 - 36 stand rejected.

The present application is a file wrapper continuation type application of U.S. Patent Application Serial No. 08/367,056, filed December 30, 1994, which is a continuation-in-part type application of U.S. Patent Application Serial No. 08/296,120, filed August 25, 1994, which is a continuation type application of U.S. Patent Application Serial No. 07/787,536, filed November 4, 1991. U.S. Patent Application Serial No. 08/367,056 is referred to herein as the "C-I-P Application", U.S. Patent Application Serial No. 08/296,120 is referred to herein as the "Continuation Application", and U.S. Patent Application Serial No. 07/787,536 is referred to herein as the "Parent Application".

Applicants respectfully point out that a Notice of Allowance has been received for U.S. Patent Application Serial No. 08/662,272, filed June 12, 1996, which is a continuation type application of the Continuation Application.

With respect to the objection to the drawings, Applicants respectfully submit that Figure 1 complies with 35 U.S.C. § 113 and 37 CFR §§ 1.81-1.84, and respectfully request that the objection to be withdrawn. Particularly, features of the invention are shown and numbered in Figure 1. If the objection is not withdrawn, Applicants respectfully request specific identification of the components in Figure 1 which should include a suitable meaningful legend.

The rejection of Claims 1 - 11 and 18 - 36 under 35 U.S.C. § 102(a) as anticipated by or, in the alternative, under 35 U.S.C. § 103 as being unpatentable over "The Heller Report" is respectfully traversed.

The Office Action cites The Heller Report as prior art rendering the present claims either anticipated or obvious. However, the Office Action fails to respond to the specific position taken by Applicants in the preliminary amendment mailed on July 25, 1996. Specifically, the Parent Application was filed on November 4, 1991, approximately two years before The Heller Report was published. Also, the Parent Application describes each item in The Heller Report, as cited in the Office Action, which allegedly renders Applicants' claimed inventions either anticipated or obvious. Particularly, the Parent Application specifically describes:

1. A distribution system that offers users [e.g., students] a "rent"-or-buy option for electronic versions of textbooks with self-erase after a fixed time. See, e.g., Parent Application, page 14, lines 8 - 25.
2. Users download any number of available books at their local point of purchase. See, e.g., Parent Application, page 5, lines 1 - 31.
3. Books will be downloaded only to those verified as users. See, e.g., Parent Application, page 22, lines 6 - 9.
4. Customer will have an electronic "signature" embedded in his or her copy at the POP (point of purchase), so that only his or her hardware device can read it. See, e.g., Parent Application, page 22, line 6 - 9.
5. Users renting or buying text cannot make copies. See, e.g., Parent Application, page 29, line 32 - page 34, line 31.

6. Rental texts will be programmed to self-erase after a prefixed number of weeks or months. See, e.g., Parent Application, page 14, lines 8 - 25.

Accordingly, and at least with respect to the subject matter set forth above, Applicants respectfully submit that the present application is entitled to the filing date of November 21, 1991, see 35 U.S.C. § 120 and MPEP § 201.11, and that The Heller Report is not prior art with respect to such subject matter.

Moreover, and with respect to The Heller Report, Applicants respectfully submit that the Office Action fails to provide Applicants with a fair opportunity to respond to the rejection, and fails to provide Applicants with the opportunity to challenge the correctness of the rejection. Specifically, "[i]t is important . . . to properly communicate the basis for a rejection so that the issues can be identified early and the applicant can be given fair opportunity to respond." MPEP § 7602(j). In fact, a rejection violates 35 U.S.C. § 132 if it "is so uninformative that it prevents the applicant from recognizing and seeking to counter the grounds for rejection". Chester v. Miller, 15 U.S.P.Q.2d 1333, 1337 (Fed. Cir. 1990).

In paragraph 25(a), the Office Action cites The Heller Report as clearly teaching the claims in the present invention. As explained above, the Parent Application describes each item in The Heller Report, as cited in the Office Action, which allegedly teaches Applicants' claimed inventions. Moreover, the Parent Application, the Continuation Application, the C-I-P Application, and the present application each:

- + include at least one common inventor;

- + were filed during the pendency of the immediately preceding application (e.g., the present application was filed during the pendency of the C-I-P Application); and
- + contain a specific reference to the earlier filed application(s).

Accordingly, Applicants respectfully submit that The Heller Report is not available as prior art with respect to the subject matter described in the Parent Application. See 35 U.S.C. § 120; MPEP § 201.11.

The Office Action fails to identify any reasons explaining why the Heller Report continues to be applied as prior art in view of the specific response set forth above and set forth in the previous amendment. Such lack of explanation directly contravenes the mandates and suggestions provided in MPEP § 201.11, and thus prevents Applicants from analyzing and challenging the grounds for such assertion.

In paragraph 25(b), the Office Action recites that the Heller Report is appropriate prior art because: The Heller Report has a date prior to the Continuation Application and the C-I-P Application; the inventor and invention dates of each claim are unclear; and the drawing submitted with the Parent Application is different from the drawing submitted with the present Application. None of these reasons is responsive to the specific position taken by Applicants in the preliminary amendment mailed on July 25, 1996 and set forth above. First, as explained above, the Parent Application was filed two years before The Heller Report. Second, 35 U.S.C. § 120 does not require an "identity of

"inventors" to claim the benefit of a parent application's filing date. Third, there is no statutory or regulatory requirement that drawings must be identical to obtain the benefit of a parent application's filing date.

In addition, Applicants point out that they have not been provided with the citation to any reference suggesting that utilizing the encryption of the present invention is well within one of ordinary skill of the art. Applicants also point out that they have not been provided with any reference suggesting utilizing encryption of information in combination with the structure recited in the pending claims. The Office Action, therefore, fails to provide Applicants with a fair opportunity to respond to the rejection, and fails to provide Applicants with the opportunity to challenge the correctness of the rejection.

In the Office Action, it is asserted that "[a]s to the feature of encryption of information when the information is to be transferred, this feature is well within one of ordinary skill of the art at the time the invention was made." In response, Applicants respectfully submit that the Office Action fails to cite any reference suggesting utilizing encryption of information in combination with the structure recited in the pending claims. As the Federal Circuit has recognized, obviousness is not established merely by combining references having different individual elements of pending claims. Ex parte Levengood, 28 U.S.P.Q.2d 1300 (Bd. Pat. App. & Inter. 1993). MPEP § 2143.01. Rather, there must be some suggestion, outside of Applicants' disclosure, in the prior art to combine such references. In re

102 and Section 103 rejections of Claims 1 - 11 and 18 - 36 be withdrawn, or that Applicants at least be provided with the citation to a reference supporting such rejection. See MPEP § 706.02(a).

Applicants further respectfully submit that The Heller Report does not mention, describe, nor suggest the encryption described and claimed in the present application. Claims 1 - 10 recite such encryption. For example, independent Claim 1 recites "said local unit being configured to encrypt the information when the information is to be transferred to the electronic storage media". No such encryption is described or suggested in The Heller Report. Therefore, Applicants respectfully submit that Claim 1 is patentably distinguishable from The Heller Report. Similarly, Applicants respectfully submit that Claims 2-10, which depend either directly or indirectly from Claim 1, also are patentably distinguishable.

In addition, and for the same reasons, Applicants respectfully submit that Claim 23, which recites "said local unit is configured to utilize information stored on said user's storage media to encrypt the information", is patentably distinguishable from The Heller Report. Similarly, Applicants respectfully submit that Claim 24, which depends from Claim 23, also is patentably distinguishable.

Furthermore, Applicants submit that Claim 25, which recites "said local unit configured to encrypt the information utilizing information stored on said user's storage media", and Claims 26 - 32, which depend from Claim 25, are patentably distinguishable

Vaeck, 20 U.S.P.Q.2d 1436 (Fed. Cir. 1991). Applicants respectfully submit that the Office Action fails to provide any prior art references which suggest combining encryption in combination with the structure recited in the pending claims. Accordingly, Applicants respectfully submit that the Section 103 rejection to Claims 1 - 11 and 18 - 36 is improper, and requests that such rejection be withdrawn.

Also, Applicants respectfully submit that the mere assertion that "this feature is well within one of ordinary skill of the art at the time the invention was made" does not support a *prima facie* obviousness rejection. With respect computer programming and design, "the skill of a person of ordinary skill in [the art] . . . is not a proper subject for judicial notice today . . ."

In re Pardo and Landau, 214 U.S.P.Q. 673, 677 (CCPA 1982).

Accordingly, each allegation of what is within one of ordinary skill of the art

"must always be supported by citation to some reference work recognized as standard in the pertinent art and the [applicant] given . . . the opportunity to challenge the correctness of the assertion or the notoriety or repute of the cited reference."

Id. (quoting In re Ahlert, 165 U.S.P.Q. 418, 420-21 (CCPA 1970)).

Applicants have not been provided with the citation to any reference suggesting that utilizing the encryption of the present invention is well within one of ordinary skill of the art. The Office Action, therefore, fails to provide Applicants with a fair opportunity to respond to the rejection, and fails to provide Applicants with the opportunity to challenge the correctness of the rejection. Applicants respectfully request that the Section

from The Heller Report. Moreover, Applicants submit that Claim 33, which recites "an encryption unit for dynamically encrypting information", and Claims 34 - 36, which depend from Claim 33, are patentably distinguishable from The Heller Report.

Applicants also respectfully submit that the reasons identified in paragraph 24 of the Office Action do not substantiate a *prima facie* obviousness or *prima facie* anticipation rejection. Particularly, paragraph 24 of the Office Action recites that such claims "are rejected as failing to teach or define the rejected claims 1-11 and 18-24 as discussed in paragraphs 28-33, supra." Applicants respectfully point out that paragraphs 28-33 were not included in the Office Action transmitted to Applicants. Moreover, and for the reasons identified above, Applicants respectfully submit that The Heller Report is not available as prior art with respect to the subject matter disclosed in the Parent Application and identified in the Office Action. In addition, Applicants respectfully submit that The Heller Report in combination with some unidentified reference does not support a *prima facie* obviousness or anticipation rejection.

For the reasons set forth above, Applicants respectfully request that the Section 102 and Section 103 rejections of Claims 1 - 11 and 18 - 36 be withdrawn.

In view of the foregoing remarks, all claims now active in this application are believed to be in condition for allowance. Favorable action is respectfully solicited.

Respectfully submitted,

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